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202-307-6585 (v)
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IN THE UNITED STATES DISTRICT COURT FOR THE
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA, :
Plaintiff, :
v. : Case No.
JOHN ZAKLAMA, :
as the Administrator of the Estate of :
ESMAT ZAKLAMA :
Defendant. :

COMPLAINT

Plaintiff, the United States of America, at the request of the Chief Counsel of the Internal Revenue Service, a delegate of the Secretary of the Treasury, and at the direction of the Attorney General, brings this civil action to collect the federal income taxes, penalties, and interest assessed against Esmat Zaklama for the years 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, and 2003 . Further, the United States seeks collect civil penalties made against Esmat Zaklama under 26 U.S.C. § 6651(f) for his fraudulent

failure to file tax returns for the years 1999, 2000, 2001, and 2002, and to collect a civil penalty made against Esmat Zaklama under 26 U.S.C. § 6702(a) for filing a frivolous tax return for 2008. In support of this action, the United States alleges as follows:

JURISDICTION AND VENUE

1. Jurisdiction for this action is conferred on the Court by 28 U.S.C. §§ 1340 and 1345 and by 26 U.S.C. § 7402.
2. Venue is proper in this district by virtue of 28 U.S.C. § 1396 because Esmat Zalkama was a resident of this district at the time of his death, and the administrator of Zaklama's estate resides in this district.

PARTIES

3. Plaintiff is the United States of America.
4. Esmat Zaklama was the person against whom the Internal Revenue Service assessed income taxes, penalties and interest for the years 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, and 2003. Further, the Internal Revenue Service assessed civil penalties against Esmat Zaklama for the years 1999, 2000, 2001, 2002, and 2008. Zaklama died on December 5, 2012, and his last known address was 2734 Kennedy Boulevard, Jersey City, NJ 07306 in Hudson County.
5. John Zaklama was designated the administrator of Esmat Zaklama's estate.

REDUCE FEDERAL ASSESSMENTS TO JUDGMENT

6. By decision entered October 18, 2013, the United States Tax Court determined that Esmat Zaklama had income tax deficiencies for the years 1995, 1996, and 1997 in the amount of \$290,025, \$342,062, and \$342,382. *See Zaklama v. Commissioner of Internal Revenue*, Case No. 9277-03 (Oct. 18, 2013).
7. A delegate of the Secretary of Treasury of the United States made various assessments for unpaid federal income taxes and penalties against Esmat Zaklama on the dates, and the amounts, and for the tax periods set forth below:

Tax Period	Assessment Dates	Assessments ¹	Balance due as of September 30, 2020 ²
1995	03/07/2014	\$ 290,025 (1)	\$ 1,414,456.85
	03/07/2014	\$ 62,006.25 (2)	
	03/07/2014	\$ 14,021.52 (3)	
	06/23/2014	\$ 3,220 (4)	
	11/07/2016	\$ 69,506.24 (5)	
1996	03/07/2014	\$ 342,062 (1)	\$ 1,605,441.49
	03/07/2014	\$ 75,515.50 (2)	
	03/07/2014	\$ 16,402 (3)	
	11/07/2016	\$ 85,515.50 (5)	
1997	03/07/2014	\$ 342,382 (1)	\$ 1,473,591.59
	03/07/2014	\$ 73,522.50 (2)	
	03/07/2014	\$ 16,728.15 (3)	
	11/07/2016	\$ 85,595.50 (5)	
TOTAL			\$ 4,493,489.93

¹ Assessments reflected in this column are identified as follows: the amounts identified with a (1) are tax assessments; the amounts identified with a (2) are penalties for late filing a return; the amounts identified with a (3) are penalties for failing to pre-pay taxes; the amounts identified with a (4) are for fees and collections; and the amounts identified with a (5) are penalties for late payment of tax.

² Amounts reflected in this column include assessed and accrued statutory interest and penalties as of September 30, 2020.

8. The doctrine of res judicata applies to the liabilities of Esmat Zaklama for the years 1995, 1996, and 1997 tax years as set forth in paragraphs 6 and 7, above, as these liabilities have already been adjudicated in the United States Tax Court.
9. A delegate of the Secretary of Treasury of the United States made various assessments for unpaid federal income taxes and penalties against Esmat Zaklama on the dates, and the amounts, and for the tax periods set forth below:

Tax Period	Assessment Dates	Assessments ³	Balance due as of September 30, 2020 ⁴
1998	02/22/2010 02/22/2010 02/22/2010 04/25/2011	\$ 96,478 (1) \$ 4,378.97 (3) \$ 24,119.50 (5) \$ 72,358.50 (6)	\$ 549,918.50
1999	01/27/2010 01/27/2010 01/27/2010 01/03/2011 04/25/2011 03/31/2014 04/07/2014 05/19/2014 06/16/2014 07/07/2014 07/21/2014 09/15/2014 02/16/2015 05/23/2016	\$ 222,492 (1) \$ 10,685.63 (3) \$ 166,869 (7) \$ 50 (4) \$ 166,868 (6) \$ 5,384 (4) \$ 946 (4) \$ 744 (4) \$ 598 (4) \$ 531 (4) \$ 300 (4) \$ 688 (4) \$ 200 (4) \$ 232 (4)	\$ 1,231,967.87

³ Assessments reflected in this column are identified as follows: the amounts identified with a (1) are income tax assessments; the amounts identified with a (2) are penalties for late filing a return; the amounts identified with a (3) are penalties for failing to pre-pay taxes; the amounts identified with a (4) are for fees and collections; the amounts identified with a (5) are penalties for late payment of tax; the amounts identified with a (6) are miscellaneous penalties; the amounts identified with a (7) are fraudulent failure to file penalties; and the amounts identified with an (8) are penalties for filing a frivolous return.

⁴ Amounts reflected in this column include assessed and accrued statutory interest and penalties as of September 30, 2020.

Tax Period	Assessment Dates	Assessments ³	Balance due as of September 30, 2020 ⁴
2000	01/27/2010 02/22/2010 02/22/2010 02/22/2010 04/25/2011	\$ 44,318.25 (7) \$ 59,091(1) \$ 3,178 (3) \$ 14,772.75 (5) \$ 44,318 (6)	\$ 355,144.32
2001	01/27/2010 01/27/2010 01/27/2010 04/25/2011	\$ 215,282 (1) \$ 161,461.50 (7) \$ 8,603.46 (3) \$ 161,461 (6)	\$ 1,199,066.62
2002	01/27/2010 01/27/2010 01/27/2010 04/25/2011	\$ 601,343 (1) \$ 451,007.25 (7) \$ 20,095.14 (3) \$ 451,007.25 (6)	\$ 3,205,350.66
2003	03/15/2010 03/15/2010 03/15/2010	\$ 1,381 (1) \$ 310.72 (2) \$ 345.25 (5)	\$ 864.67
2008	10/8/2012	\$ 15,000 (8)	\$ 14,005.16
TOTAL			\$ 6,556,317.80

10. Esmat Zaklama fraudulently failed to file his income tax returns for the years

1999 through 2002. For instance,

- a. For the years 1999 through 2002, Zaklama failed to file his income tax returns.
- b. For the years 1999 through 2002, Zaklama failed to pay any estimated taxes.
- c. For the years 1999 through 2002, Zaklama used alter ego and nominees to conceal his interest in property.

- d. For the years 1999 through 2002, Zaklama failed to cooperate with the Internal Revenue Service.
 - 11. Proper and timely notice and demand for payment of the tax assessments described above in paragraphs 7 and 9 were given to Esmat Zaklama.
 - 12. Statutory additions for interest have accrued and will continue to accrue on the unpaid balance of the assessments described in paragraphs 7 and 9, above.
 - 13. Esmat Zaklama failed to pay the United States the full amount owed as a result of the assessments described in paragraphs 7 and 9, above.
 - 14. By reason of the foregoing, the Estate of Esmat Zaklama is indebted to the United States for the assessments set forth in paragraphs 7 and 9, in the amount of \$11,049,807.73 as of September 30, 2020, plus interest that will continue to accrue thereafter according to law.
- WHEREFORE, the Plaintiff, the United States of America, respectfully prays for judgment as follows:
- A. The Court enter judgment in favor of the United States and against the Estate of Esmat Zaklama, for the assessments set forth in paragraphs 7 and 9, in the amount of \$11,049,807.73 as of September 30, 2020, plus interest, accruing from that date until whatever date the Estate of Esmat Zaklama satisfies such a judgment; and
 - B. That the Court grant the United States such other relief as it deems just and proper.

Dated: October 1, 2020

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